

**TESTIMONY OF KEN BABCOCK
DUCKS UNLIMITED, Inc.**

BEFORE THE

**U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON AGRICULTURE**

**CONCERNING:
THE CONCEPTS OUTLINED IN THE
DRAFT FARM BILL FARM BILL CONCEPT PAPER**

**Thursday, July 19, 2001
WASHINGTON, DC**

Mr. Chairman, members of the Committee, my name is Ken Babcock. I am the Director of Operations for Ducks Unlimited, Inc.'s (DU) Southern Regional Office in Jackson, Mississippi. I currently lead a regional staff of professionals working in fifteen southern states including Alabama, Arkansas, Florida, Georgia, Kansas, Kentucky, Louisiana, Mississippi, Missouri, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas.

Ducks Unlimited was founded in 1937 by concerned and farsighted sportsmen and conservationists. It has grown from a handful of people to an organization of over 1,000,000 supporters who now make up the largest wetlands and waterfowl conservation organization in the world. DU has conserved more than 10 million acres of wildlife habitat in the U.S., Canada, and Mexico. DU prides itself on its work with private landowners and our ability to assist and advise farmers, ranchers, and foresters on how they can meet their economic goals with their lands while providing high quality habitat for the wildlife that depend on their land and water for survival.

I appreciate the opportunity to speak with you today regarding the Committee's "Draft Farm Bill Concept Paper." Ducks Unlimited applauds the Committee for its efforts in working to get a Farm Bill passed this year. We urge you to look at proposals that exist that would better direct resources to farmers and ranchers upon actual production. A number of Members of Congress have been discussing various concepts that would provide assistance to active growers while freeing up monies for further conservation, nutrition, and research.

The future of wildlife in this country is inseparably tied to actions undertaken on private lands. Agriculture is by far the dominant use on these lands with about 50% of the United States or 900 million acres managed as cropland, pastureland, or rangeland. Federal agricultural programs and policies have an enormous influence on the condition of the nation's air, soil, water, plant, wildlife, and other natural resources. In recognition of this fact, the U.S. Congress incorporated strong conservation titles in the 1985 Farm Bill and has continued this approach in each of the two successive Farm Bills.

Over the past two decades, incentive based conservation programs have played an integral role in the economic vitality and general well being of this nation's farmers, ranchers, and foresters. In addition, they have improved conservation on private lands by enhancing and protecting wildlife and their habitat. The increased role and importance of conservation in agriculture and its role in private lands stewardship has given way to dialogue that while contentious at times, has led to consensus and partnerships among government and private interests including commodity groups, individual producers, livestock organizations, and the conservation community. Voluntary, incentive-based conservation provisions included in national agriculture policy have provided the framework for "win-win" solutions on the farm and across the rural and urban landscape.

Our comments on the Concept Paper cannot be complete since the legislative language that goes along with these program dollars is vitally important to the stance that our organization takes. For example, under the Conservation Reserve Program (CRP) while we are happy that the committee has addressed the need for further acreage in CRP, but we are concerned that when

the bill is finalized, language will be added that will restrict the use of this popular and effective program.

CONSERVATION

The conservation provisions of the Farm Bill have been in the past, and DU hopes that they will remain, focused on private lands conservation. The natural resources that conservation programs are responsible for, be it water, soil, or wildlife habitat, face daily encroachment from both man and nature. Man is responsible for wetlands drainage, hypoxia, soil erosion, urban sprawl, and many other challenges. Drought, flood, and invasive species are but a few of nature's conservation challenges. Together these challenges have been met in the previous Farm Bills with considerable success. The existing array of programs, while not perfect, has successfully made conservation more than an afterthought in agriculture.

While the Farm Bill Concept Paper apparently increases the total dollars dedicated to conservation programs we believe several important programs are not being funded or planned in appropriate manners.

On June 6, 2001 Jeff Nelson, my counterpart in our Great Plains Regional Office testified before this Committee's Subcommittee on Conservation, Credit, Rural Development and Research. Mr. Nelson represented forty conservation, sportsmen, and wildlife organizations with combined membership of over 10 million. In his testimony he laid out four main priorities for these groups on the Farm Bill. While three have received reauthorization mention in the Farm Bill Concept Paper the fourth did not receive any funding or mention. I have listed those goals below along with bill numbers and sponsors names for efforts that will to address these vital and effective programs.

- **Expand enrollment of the Wetlands Reserve Program to accommodate enrollment of 250,000 acres per year through the duration of the Farm Bill. (HR 1506 sponsored by Rep. Pickering & 47 others)**
- **Expand the enrollment caps of the Conservation Reserve Program to its original 1985 level of 45 million acres. (HR 1082 sponsored by Rep. Peterson & 67 others)**
- **Expand the Wildlife Habitat Incentive Program to authorize expenditures of \$100 million annually.**
- **Establish a Grasslands Reserve Program to authorize up to 1 million acres for enrollment. (HR 1689 sponsored by Rep. Schaffer & 18 others)**

CONSERVATION RESERVE PROGRAM

No program in history has done more for broad scale conservation of habitat on farmland while offering producers a significant and stable source of income than the Conservation Reserve Program. When CRP was originally established, Congress authorized an enrollment of up to 45 million acres. That ceiling was later reduced to 36.4 million acres, all of which is now enrolled, outside of a limited number of acres reserved for the Conservation Reserve Enhancement

Program, Buffer Strips, and a 500,000 acre program passed late in the 106th Congress that affects 6 states in the northern Great Plains region.

The Farm Bill Concept Paper increases the acreage authorization to 40 million acres. This widely popular and effective program continues to have support across the country. The dedication to the program and the continued high rate of sign-ups are direct proof of this program's popularity. Its conservation success is easily measured in increased wildlife habitat, improved water quality, reduced erosion and a myriad of additional benefits. While we are glad that this program's effectiveness is realized in the additional funding we are also mindful that the need for this program is widespread. Over a ten-year basis returning the program to its original authorized 45 million acres would allow for additional marginal lands to be entered into the program and continue to provide additional benefits.

The Farm Bill Concept Paper mentions an increase in biomass pilot acreage. We need to be sure there is no negative impact on fragile grassland ecosystems. Damage from over harvesting, impact on bird nesting and migration, other wildlife, and other factors must be addressed. We caution you not to violate the tremendous conservation values CRP has provided to date by a rush into an unproven program for biomass fuels. DU would be glad to work with the Committee and appropriate governmental agency on properly managing any potential impacts on wildlife.

Ducks Unlimited, Inc. supports the use of buffer strip programs as a component of CRP. However, this program has not been successful in full subscription of the available acres. It is apparent that landowners do not see the same kind of value in this program that Congress apparently does. We suggest that the buffer program does not need to increase in size and that any additional available acres be programmed for the normal CRP effort.

We disagree with the idea that CRP has a negative economic impact on rural communities. In fact CRP has a positive economic impact on rural communities in providing new business opportunities, while helping economically challenged farmers and ranchers stay on the farm and continuing to work their most productive lands. In recent visits to Capitol Hill with farmers and ranchers from across the country, this concern arose. A farmer from North Dakota immediately discounted the idea when he was accused of supporting a program that was harming rural communities. He pointed to our Canadian neighbors who do not have a CRP program and are still suffering in their small towns and communities in the same fashion as in the U.S. He continued that the economic impact is more than positive. He pointed that increased tourism dollars spent locally were an unexpected consequence and benefit of CRP due to sportsmen and others. In addition, we cannot discount the tremendous values that CRP brings to our country on a broad scale from the improved environment and such things as improved quality, lessened run-off and sedimentation.

In examining the Congressional Record for a number of hearings in front of both the House and Senate Agriculture Committees a number of commodity organizations have singled out CRP for the demise of the agricultural economy. They point to increased acreage in Brazil and Argentina being the fault of CRP. They don't see the obvious reasons of inexpensive labor, commodity support payment from foreign governments, and increased market access.

Just this week one organization testified that they wanted increased acreage for the Environmental Quality Incentive Program (EQIP) and that funding for this increase could come from CRP. The justification used by them and agri-business interests is that they “continue to support programs that do not take land out of production or remove grain from the marketplace.” Considering the recent depressed grain and feed prices we do not see what effect, if any increased CRP acreage will have other than to take ill-advised agriculture lands out of low yield, environmentally challenging production. Please remember that CRP does not take the best of productive lands, but the worst. This is not a price support program or a farm retirement program but a valuable and effective conservation program that has a proven record of demand and success.

Considering that the authorization being suggested is ten years, 45 million acres is a reasonable number considering the tremendous soil, water quality, and wildlife benefits of this program, in addition to the biomass pilot programs, the six state prairie pothole pilot, and the supposed demand for buffers and continuous sign-up mentioned in commodity organization testimony.

WETLANDS RESERVE PROGRAM

The Wetland Reserve Program (WRP) was established by Congress as a conservation program in the 1990 Farm Bill and reauthorized in 1996. The 1996 cap for WRP was set at 975,000 acres nationwide. When it became apparent that this program was very popular among agriculture producers and landowners, and that the cap would be achieved in federal FY ‘01, Congress increased the authorization for WRP by 100,000 acres. The new cap of 1,075,000 acres will be reached during the current year. Popularity of the program continues to increase with thousands of qualified applications submitted across the nation that cannot be accepted without continuation and expansion of WRP.

In reading through the Farm Bill Concept Paper we were surprised and disappointed by the low appropriations and acres proposed for WRP. For a program that has enrolled 1,075,000 acres since the 1996 Farm Bill, the current acreage cap is inappropriate for a ten year Farm Bill. It seems obvious that we must make more acreage available to hard-pressed farmers who see this as another way to stay in business, convert flood-prone land to more appropriate uses, improve water quality, enhance wildlife habitat and benefit the environment in many ways.

We urge you to increase this program to the yearly levels contained in HR 1506, Rep. Pickering’s bill to increase the WRP acreage to 250,000 per year. This would double the dollars needed to fund the program from \$1.5 to \$3.1 billion.

WILDLIFE HABITAT INCENTIVES PROGRAM

The Wildlife Habitat Incentives Program (WHIP) was one of a set of conservation provisions added to the amended 1985 Food Security Act of 1996. WHIP was developed to assist landowners with habitat restoration and management activities, specifically targeting fish and

wildlife, including threatened and endangered species. Within the framework of state, regional, and national habitat priorities, WHIP funds were allocated to states based on plans developed by NRCS State Conservationists in consultation with state technical committees. With the \$50 million originally authorized for WHIP in the 1996 FAIR Act, 8,455 projects were funded which provided for 1.3 million acres of habitat. These projects benefited a wide range of fish and wildlife species, from the economically and culturally important species such as northern bobwhite quail and Atlantic salmon to threatened and endangered species such as the Karner blue butterfly, and Osprey. The \$50 million for WHIP was exhausted in 1999, but the program has been funded at \$12.5 million for FY 01. While extremely popular, WHIP turns away the majority of applicants because of a lack of adequate funding.

WHIP's popularity with landowners and conservation partners is based on its targeted fish and wildlife benefits, the flexibility it allows, and because it addresses important management needs on lands that are not eligible for cost-share under other USDA conservation programs. While support is widespread for this program and its effectiveness is well noted, \$25 million for a conservation program to be used nationwide will have minimal overall effect due to its funding constraints. Increasing to at least \$50 million per year will allow the program to be effective nationally.

GRASSLANDS RESERVE PROGRAM

Most grassland in the heartland of the U.S has been converted to cropland since the 1800s. Nearly the entire tall-grass prairie has been converted to row-crop agriculture and now produces some of the best corn and bean crops in the world. The mid-grass and short-grass prairies, further west, are becoming increasingly fragmented, but still provide a critical basis for our nation's livestock industry. The ranchers who steward these lands do so mostly on their own. Once plowing begins, these lands have traditionally supported the production of small grains in a crop/fallow system of cultivation. More recently, these areas are being converted increasingly to the production of new varieties of soybeans and other crops that are more drought-tolerant. Once broken, native prairie can only be restored to its former productivity and use after many years of intensive management needing both technical and financial assistance.

The programmatic idea contained in Rep. Schaffer's HR 1689 would establish a 1 million acre grasslands program that would address areas of conservation that are ill-served at this time for their conservation needs. The cost of this program is estimated to be \$500 million over ten years.

A Grasslands Reserve Program is needed to help farmers and ranchers nationwide, but especially in the great belt of grass ecosystems that runs from the Dakotas to Texas. This vital part of American heritage is still being lost. We must institute this effort to provide perpetual protection for such lands. Short-term leases, such as those provided in CRP or even to 20 years are an inappropriate use of the public's tax resources. Perpetual conservation easements that leave the land in private ownership, continue tax payments, maintain the working heritage of these lands, allow ranchers to stay on the land and be able to pass the land along to the next generation intact,

and help conserve our dwindling biological diversity are an absolute must for the next Farm Bill. We strongly encourage you to add this program to your agenda.

ENVIRONMENTAL QUALITY INCENTIVE PROGRAM

While we feel that this is a very valuable program the Farm Bill Concept Paper suggests a dramatic increase in funding. It does not seem plausible that, with other program increases, the Natural Resources Conservation Service (NRCS) will be able to meet the increased program load. Raising the program from this year's \$200 million appropriation six fold in one years time to \$1.2 billion will not allow the agency enough time to adequately hire and train the additional employees needed to handle the technical work or to even review third party work. To properly meet the conservation needs contained in this program there is engineering, hydrology, and a number of other professional fields that need specialists to properly meet the rules and standards.

We recommend a phase-in from \$200 million to \$1.2 billion over five years which would allow the agency to properly train and educate not only their employees but the third party contractors needed to meet the increased demand. With recent administrative delay on TMDL as well as the pending AFO/CAFO regulations schedule, this EQIP phase-in schedule should allow for regulatory deadlines to still be met while ramping up the technical and professional requirements needed to fulfill this program. What this phase-in will also allow is \$2 billion dollars savings to be used to properly fund a Grasslands Reserve Program, increase the WRP and CRP acreage, and increase funding for the Wildlife Habitat Incentives Program.

A number of organizations have given coordinated testimony to remove the wildlife provisions from the EQIP program. This is shortsighted and ill advised. These are conservation programs not programs to merely provide storage and management of agriculture production waste. These Wildlife provisions should not be removed.

Further, we suggest that Congress provide direction in EQIP to make use of wetland treatment systems for purification of livestock waste. The technology for use of artificial and restored wetlands to treat effluents has been well developed over the last 30+ years. These systems have been proved effective in treating effluents from small communities and even with large-scale urban sewage treatment systems to "polish" water before it enters natural systems. This is a perfect opportunity for Congress to address two serious problems for our country by encouraging innovative wetland treatment systems that do not depend on more traditional engineered "bricks and concrete" or chemical treatment systems. Properly used, wetland treatment systems will control effluent runoff from confined livestock facilities and add to our nation's wetland habitat base. Ducks Unlimited, Inc. is prepared to provide more details and guidance on this approach.

CONCLUSION

While the Farm Bill Concept Paper is just the beginning we understand that the Committee will be acting very quickly to take this from Concept Paper to legislation and then to consideration by the Committee. Considering this rapid pace we look forward to working with you in the next

two weeks before the August recess. While this concept paper recognizes the need for additional conservation funding it focuses the majority of the funding in EQIP, towards dealing with regulatory challenges that specific industries are faced with. While we do not disagree that these industries need assistance we feel that an immediate six-fold jump in funding would be ill advised. We recommend Congress phase-in this extremely large increase over four years so that the needed hiring and training can be provided. And modify EQIP to support a wetlands treatment program to this effort to make it more practical for most landowners. These other critical programs can benefit from those dollars, as will the public. This will enhance the effectiveness of the program and ensure the public's monies are well spent. Funding must be found for these other extremely important and popular programs.

This Farm Bill Concept Paper is but one of the many Farm Bill Concept Papers that are currently circulating around Capitol Hill. We urge you to look at other proposals we believe could better direct resources to farmers based on their actual production. We believe the commodity proposal is less costly than the Farm Bill Concept Paper and would allow savings to be used in other areas such as conservation, research, and rural development.

A number of Bills, Concept Papers, and Outlines are currently circulating around Capitol Hill and while none are entirely comprehensive they offer some valuable tools for this Farm Bill. Many speak to a number of our organization's interests including increased WRP acreage and a Grasslands Reserve Program. We look forward to working with the Committee on developing the best conservation title possible.

Finally we urge you to look at the programs that have been successful over the last two Farm Bills. CRP and WRP have continually been the benchmarks in terms of conservation programs. By increasing both programs acreage and including a grassland program to address under served prairie areas this committee will go along way in ensuring the future success of private lands stewardship in this country.

Thank you for the opportunity to provide comments as you deliberate the role and future of conservation titles in agriculture policy. I hope we have made a strong case that maintaining and expanding the scope of several proven conservation programs that are integral to a successful and balanced farm policy. The long-term health of our country and its citizens depends upon merging agriculture and conservation together in decision-making processes. We can lead the world in agriculture production while we maintain and improve our environment at the same time. The road to successfully achieving those goals starts with this subcommittee. Please do not hesitate to call upon us for any reason regarding these important issues. I would be happy to answer any questions you might have.